

MEMORANDUM

To: Phil Erickson, CD+A

From: Jason Moody and Ben Sigman, EPS

Subject: Broadway Corridor Economic Development White Paper;
EPS #131073

Date: October 21, 2013

The Economics of Land Use



The City of Tucson is currently involved in planning and design for the widening of Broadway Boulevard. As part of the process, the City and a Citizens Task Force are reviewing the scope of the project and roadway configuration alternatives. To assist, Economic & Planning Systems (EPS), the real estate consultant supporting the project planning effort, intends to draft a White Paper that presents a framework for evaluating economic development opportunities associated with the various roadway alternatives under consideration. This memorandum provides an outline of the proposed White Paper.

The Economic Development Framework White Paper would focus on three primary areas of potential economic impact associated with a widening of Broadway Boulevard: (1) Impacts from Project Construction, (2) Potential for Corridor Repositioning, and (3) the Competitive Landscape for Real Estate Investment. This White Paper would provide a qualitative review of corridor-wide issues and opportunities rather than specific sites. The following outline details these three topics.

I. Impacts from Project Construction

This section would address the range of potential impacts to existing tenants and property owners over near-, mid-, and long-term time horizons as a result of the proposed physical improvements along the Broadway Boulevard Right of Way. The discussion would address the nature of the potential impacts and the types of businesses most likely to be affected. This section would be informed by relevant academic literature and professional articles (as available), City of Tucson and Regional Transportation Authority (RTA) experiences (based on interviews), and EPS experience and professional judgment.

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This high-level overview likely would focus on the following potential temporal impacts, considering qualitatively the range of direct effects that might occur under the various right of way/roadway width alternatives:

Potential Construction Period Impacts

- Road closures, delays, restricted access, lost parking
- Reduced business visibility
- Noise, dust, and other disturbances
- Business displacement and extended vacancies

Potential Completion Period Impacts

- Business relocation (back to the corridor)
- Attraction of new businesses
- Improved business environment
- Potential for site assembly and reuse of remnant parcels

II. Potential Corridor Repositioning

Broadway Boulevard may support opportunities for new real estate investment and redevelopment, particularly if roadway widening results in large, well-proportioned property assemblages. Additionally, an upgraded and enhanced roadway that supports multiple modes of travel (e.g., automobile, public transit, bicycle, pedestrian) and includes streetscape improvements also may increase development potential. With increased development potential comes the opportunity for the real estate development community to introduce updated urban designs and new building formats for retail, residential, office, and other uses. This section of the White Paper would consider the potential for new real estate development to improve the economic performance of the Broadway corridor, across the range of potential roadway projects, including the following.

National Trends in Corridor Development

- Review of articles and research concerning corridor planning and real estate investment
- Summary of trends, best practices, emerging formats and their implications for Broadway Corridor repositioning

Case Studies of Comparable Corridor Development

- Identification and selection of up to three relevant corridor case studies
- Case study description of corridors before and after repositioning
- Discussion of best practices and lessons learned for Broadway Boulevard

III. Broadway Corridor Competitive Position

Is the Broadway Boulevard likely to attract real estate investment dollars given its competitive position within the broader Tucson economy? The potential long-term economic benefits to the corridor from a major roadway project are primarily related to real estate redevelopment. This section of the White Paper will assess the competitive positioning of Broadway Boulevard sites (e.g., as compared with other areas of the city) and whether particular roadway alternatives are likely to increase or decrease the potential for real estate investment. The analysis will include the following factors:

- Localized development trends, including planned and recently-built projects
- Corridor assets and liabilities
- Short and long-term barriers to investment

ABOUT ECONOMIC & PLANNING SYSTEMS, INC.



The Firm	Economic & Planning Systems, Inc. (EPS) is a land economics consulting firm experienced in the full spectrum of services related to real estate development, the financing of public infrastructure and government services, land use and conservation planning, and government organization.
Guiding Principle	EPS was founded on the principle that real estate development and land use-related public policy should be built on realistic assessment of market forces and economic trends, feasible implementation measures, and recognition of public policy objectives, including provisions for required public facilities and services.
Areas of Expertise	<ul style="list-style-type: none">• Real Estate Market and Feasibility Analysis• Public Finance• Fiscal and Economic Impact Analysis• Reuse, Revitalization, and Redevelopment• Housing Development Feasibility and Policy• Regional Economics and Industry Analysis• Land Use Planning and Growth Management• Open Space and Resource Conservation• Government Organization• Transportation Planning and Analysis
Clients Served	Since 1983 EPS has provided consulting services to hundreds of public- and private-sector clients in California and throughout the United States. Clients include cities, counties, special districts, multi-jurisdictional authorities, property owners, developers, financial institutions, and land use attorneys.
Staff Capabilities	The professional staff includes specialists in public finance, real estate development, land use and transportation planning, government organization, and computer applications. The firm excels in preparing concise analyses that disclose risks and impacts, support decision making, and provide solutions to real estate development and land use-related problems.
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